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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/828,122	04/09/2001	Gary M. Katz	PIP-69B-KATZ	5972

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EXAMINER
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RETTA, YEHDEGA

ART UNIT	PAPER NUMBER
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3622

DATE MAILED: 03/27/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

09/828,122

Applicant(s)

KATZ, GARY M.

Examiner

Yehdega Retta

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 27 December 2005.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-64 is/are pending in the application.
- 4a) Of the above claim(s) 59-64 is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-58 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |  |   |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)   | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)   | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date <u>11/8/02, 6/3/03</u> . | 6) <input type="checkbox"/> Other: _____  |

### **DETAILED ACTION**

This office action is in response to amendment filed December 27, 2005 and in response to the argument submitted under Appeal Brief filed December 28, 2005.

#### ***Response to Amendment***

Applicant submitted amendment with new claims 59-64 added. Applicant however did not address the prior art. Applicant should submit an argument pointing out disagreements with the examiner's contentions. Applicant must also discuss the references applied against the claims, explaining how the claims avoid the references or distinguish from them.

Applicant also filed an Appeal Brief, which includes the new added claims. The Appeal Brief is filed prematurely since the new claims were never rejected. In order to provide a complete and thorough reply the Examiner decided to address both the amendment and the argument submitted under the Appeal Brief.

#### ***Election/Restrictions***

Restriction to one of the following inventions is required under 35 U.S.C. 121:

- I. Claims 1-58, drawn to pairing a first low relevance promotion with a second more relevant promotion, classified in class 705, subclass 14.
- II. Claims 59-64, drawn to determining a first product, from a first product category or from a first product in a product category, that has not been purchased before by a consumer and determining a second product from a second category that has been purchased before and printing on a single sheet of paper the first promotion to purchase a product from a product item in the first category and a second

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promotion to purchase a product item from the second category classified in class 705, subclass 14.

Newly submitted claims 59-64 are directed to an invention that is independent or distinct from the invention originally claimed for the following reasons: the claim recites determining a promotion for a product which has never been purchased and pairing it with a promotion for a product that has been purchased before, by the same consumer.

Examiner considers that since applicant independently claim the invention of this group, it is prima facie showing that the inventions are intended to be independently and distinct and are shown to be separately usable.

Since applicant has received an action on the merits for the originally presented invention, this invention has been constructively elected by original presentation for prosecution on the merits. Accordingly, claims 59-64 are withdrawn from consideration as being directed to a non-elected invention. See 37 CFR 1.142(b) and MPEP § 821.03.

### ***Claim Objections***

Claim 27 is objected to under 37 CFR 1.75(c), as being of improper dependent form for failing to further limit the subject matter of a previous claim. Applicant is required to cancel the claim(s), or amend the claim(s) to place the claim(s) in proper dependent form, or rewrite the claim(s) in independent form.

The test for a proper dependent claim is whether the dependent claim includes every limitation of the parent claim. The test is not whether the claims differ in scope. A proper dependent claim shall not conceivably be infringed by anything, which would not also infringe the basic claim. If independent claim recites a method of making a specified product, a claim to

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the product set forth in the independent claim would not be a proper dependent claim since it is conceivable that the product claim can be infringed without infringing the base method claim if the product can be made by a method other than that recited in the base method claim. Therefore, claim 27 is improper dependent claims.

***Claim Rejections - 35 USC § 102***

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

The changes made to 35 U.S.C. 102(e) by the American Inventors Protection Act of 1999 (AIPA) and the Intellectual Property and High Technology Technical Amendments Act of 2002 do not apply when the reference is a U.S. patent resulting directly or indirectly from an international application filed before November 29, 2000. Therefore, the prior art date of the reference is determined under 35 U.S.C. 102(e) prior to the amendment by the AIPA (pre-AIPA 35 U.S.C. 102(e)).

Claims 1-3, 20, 21, 26-30, 33 and 34 are rejected under 35 U.S.C. 102(e) as being anticipated by Aggarwal et al. U.S. Patent No. 6,349,309.

Regarding claims 1, 20, 21 and 27 Aggarwal teaches receiving identification from a customer (transaction or purchases) determining a category purchase history of the consumer (col. 10 lines 65 to col. 11 lines 15); selecting promotion determined to be more relevant based

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upon the identification information and purchase history; paring the low relevance and second relevance promotion (see col. 11 lines 29-46).

Regarding claims 2 and 3, Aggarwal teaches purchase history including frequency of purchases in a product or a number of purchases in a product category (see col. 11 line 1-15).

Regarding claims 26 and 27, Aggarwal teaches receiving promotional information regarding one promotion paring promotions with low relevance promotions with other promotions providing the paired promotions to the customer. Aggarwal teaches providing promotional list sorted according to for example frequency of purchase reported to user in order of frequency of purchase, i.e., with lower frequency of purchase listed under the ones with higher frequency of purchase (see col. 11 lines 7-46).

Regarding claims 28, 29 Aggarwal teaches determining a purchase history of the consumer (col. 10 lines 65 to col. 11 lines 15); selecting a promotion determined to be more relevant based upon the purchase history; paring the low relevance and second relevance promotion; providing the paired promotion to customer; outputting the data (see col. 11 lines 29-46).

Regarding claims 30, 33, 34, Aggarwal teaches the steps are computer implemented (see col. 10 lines 24-54).

### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person

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having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 4-19, 22-25, 27, 31, 32, 35-58 are rejected under 35 U.S.C. 103(a) as being unpatentable over Aggarwal et al. U.S. Patent No. 6,349,309, and further in view of Herz et al. (US 6571279).

Regarding claims 4, 5, 22 and 23, Aggarwal teaches receiving identification from a customer (transaction or purchases) determining a product usage history (col. 10 lines 65 to col. 11 lines 15); selecting promotion determined to be more relevant based upon the identification information and purchase history; paring the low relevance and second relevance promotion (see col. 11 lines 29-46). Aggarwal teaches information about a customer's purchase behavior including a list of items purchased, the price of the items, the frequency of purchase and other information relating to an item for sale or describing the customer (see col. 11 lines 7-15). Aggarwal does not explicitly teach determining a promotional usage denominator. Herz teaches retailer extract and model patterns of customer shopping behavior for designing optimal sales promotions. Herz teaches storing information about the number and types of item purchased at different dates and times, customers price sensitivities and coupon usage and determining promotions (different sales at different price for different customers) based on the coupon usage. Herz also teaches the history and relative effect of the coupons that have already been generated for the item for purchase being stored (see col. 22 lines 26-67 and col. 23 lines 1-9, 43-63). It would have been obvious to one of ordinary skills in the art at the time of the invention to modify Aggarwal's purchase behavior data to include the coupon usage data of a customer in order to provide shoppers with coupons and promotions specifically tailored to their preferences, as taught by Herz (see col. 23 lines 52-64). One would be motivated to consider the usage of the

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items in the promotion list of Aggarwal as part of the frequency purchases in order to customize the offer as taught in Herz.

Regarding claims 6, Aggarwal does not teach promotional usage relates to a location of where promotions are exercised. Official notice is taken that old and well known to record the location of where coupons or discounts are redeemed or used as part of the transaction history or profile. It would have been obvious to one of ordinary skill in the art at the time of the invention to include such information in the Aggarwal's customer's transaction database. One would be motivated to use the information and identify each location of a chain store if more than one location is provided, to provide the promotional list of Aggarwal at specific location, if the consumer frequents that specific location.

Regarding claims 7-18, 24, 25 and 27, Aggarwal teaches receiving identification from a customer (transaction or purchases) determining a product usage history of the consumer (col. 10 lines 65 to col. 11 lines 15); selecting promotion determined to be more relevant based upon the identification information and purchase history; paring the low relevance and second relevance promotion (see col. 11 lines 29-46). Aggarwal teaches information about a customer's purchase behavior including a list of items purchased, the price of the items, the frequency of purchase and other information relating to an item for sale or describing the customer (see col. 11 lines 7-15). Aggarwal does not explicitly teach determining a demographic characteristic; comprises of pet owner or parenthood. Herz teaches storing purchase history including demographic characteristics (customers with school-age children or pet owners) and determining appropriate coupons, which are most appropriate for the shopper (see col. 23 lines 1-63). It would have been obvious to one of ordinary skills in the art at the time of the invention to modify Aggarwal's



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transaction database to determine the demographic characteristics of shoppers since Aggarwal consider each item purchased. One would be motivated to consider the customer's demographic characteristics, in the promotion list of Aggarwal, as part of the frequency purchases for the purpose of determining which coupons or promotions are most appropriate to the shopper, as taught by Herz (see col. 23 line 60 to col. 24 line 14). Since Aggarwal stores transaction history of every item purchased, whether the promotion is for goods from the same or different promoter, whether the product is new to the store or customer would not make a difference to Aggarwal's promotional list. Those limitations are non-functional descriptive material. However, Herz teaches recording information about product's size, shape, packaging and advertisement or anything that might impact its appeal to customers. Therefore, it would have been obvious to one ordinary skill in the art the time of the invention to include such information in order to provide shopper with coupons or promotions specifically tailored to their preference as taught by Herz (see col. 23 lines 1-67 and col. 24 lines 9-51).

Regarding claim 19, Aggarwal teaches providing a promotional list with more than two items (see col. 11 lines 29-53).

Regarding claims 31, 32, Aggarwal teaches the steps are computer implemented (see col. 10 lines 24-54).

Regarding claims 35-58, Aggarwal teaches reporting to the customer the promotional list, but failed to explicitly indicate displaying or exercising the promotion. Herz teaches displaying promotional message and printing the coupons for customers who can use them for the day's shopping trip. Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to display Aggarwal's promotional list that is reported to customer and to allow

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user to exercise the coupon in order to motivate the customer to buy the product being promoted (see col. 24 lines 5-14).

***Response to Arguments***

Applicant's arguments filed December 28, 2005 have been fully considered but they are not persuasive.

In regard to the objection based on improper dependent, applicant argues that because the product of the claim 27 could be infringed without the performing any method step such as the steps defined by claim 1. It is for the same reason that the claim is improper. A proper dependent claim shall not conceivably be infringed by anything, which would not also infringe the basic claim. Therefore, the objection is proper.

Regarding the art rejection (under 102(e)), applicant argues that Aggarwal teaches away from providing information on "Low Relevance" products and does not disclose utilizing exercising promotions. Applicant argues that Aggarwal teaches limiting product information provided to consumer to products the consumer is likely to buy.

Applicant's disclosure discloses that the relevance of a promotion is determined based upon:

The number of time a product is purchased;

The number of times a product category is purchased;

The loyalty of a consumer to a brand;

The volume of consumer purchase;

Frequency of consumer purchases;

The value of the promotion;

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Location where the promotion can be exercised;

Product who has never or only rarely purchased;

New product;

Product new to a location;

And in combination of one or more of any of the attributes described above.

According to applicant's disclosure, the consumer purchase history is referred for products previously purchased, the frequency of certain purchases, the name of the brands, price of the products, class or location of the products etc. in order to determine the relevance of a promotion and/or to identify a more relevant promotion for a product. The specification also discloses the purchase history of the consumer being examined to determine the number of purchases that the consumer has made of the promoter's products in each particular product line. The various product categories can then be ranked based upon a frequency (number) of purchases in each promoter product line and an arbitrary cut-off can then be used to classify each of the promoter product lines as "more relevant" or "low relevance".

The prior art, Aggarwal also teaches the customer's purchase (transaction) history being analyzed for the purpose of providing product recommendation to customers concerning, for example, items for sale (see col. 10 lines 32-38). Aggarwal further teaches providing a promotion list, a list of items used to restrict the number of products which may be recommended to a target customer, for example to promote a sale of specific products (lines 55-63). Aggarwal teaches a data value corresponding to a transaction may include information on items for sale, quantities of items for sale, number of items purchased belonging to various product category, or frequency of purchases of items for sale (see col. 11 lines 1-15). The

promotion list, for example, a list of preferred items provided by a manufacturer or distributor of items for sale, being reported to a user as recommended items, with the promotion list reported to user in order of frequency of purchase.

Therefore, the definition of the “low relevance” is not limited to a new product and/or product class or to product never purchased by the consumer, as argued by Applicant. As broadly interpreted and in light of the specification, the claim, as recited, includes the relevance of a promotion being determined based on frequency of consumer purchases and such limitation is disclosed in Aggarwal. Applicant’s definition of “pair” is association of two or more promotions. It is stated in the specification that the word pairing is not limited to associating only two promotions, thus three or more promotions may be paired (promotion list).

Applicant also argues that the “promotional list” of Aggarwal is not a promotion as defined in this application. Examiner disagrees. According to applicant’s specification promotion refers to any offer, advertisement, incentive, coupon and/or commercial for promoting one or more goods and/or services (see page 4). And Aggarwal definition of a “promotion list” is a list of items used to restrict the number of products which may be recommended to a target customer, for example to promote a sale of specific products (lines col. 10 lines 55-63), which means the same as applicant’s use of the term.

In regard to Applicant argument that the Aggarwal promotion list is not exercisable as claimed. The independent claims do not recite exercising the promotion. In response to applicant’s arguments, the recitation “exercisable” has not been given patentable weight because the recitation occurs in the preamble. A preamble is generally not accorded any patentable weight where it merely recites the purpose of a process or the intended use of a structure, and

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where the body of the claim does not depend on the preamble for completeness but, instead, the process steps or structural limitations are able to stand alone. See *In re Hirao*, 535 F.2d 67, 190 USPQ 15 (CCPA 1976) and *Kropa v. Robie*, 187 F.2d 150, 152, 88 USPQ 478, 481 (CCPA 1951). Applicant's specification teaches determining the relevance of a promotions and pairing promotions together to determine that the likelihood that the promotions would be exercised. The specification itself teaches the intended purpose of the pairing of the promotion, printing or displaying the paired promotion, however **does not teach the promotion being exercised**.

In regard to Applicant's argument that there is insufficient motivation to combine Herz and Aggarwal teaching, the Examiner disagrees. According to applicant's disclosure the determination of the relevance of a promotion is made, by examining the promotion usage history of the customer. Further the specification discloses, the "promotion usage denominator" that relates to, e.g., the products for which promotions are exercised, the value of promotions that are exercised and/ or location where the promotions are exercised can be used to determine the relevance of a promotion to the consumer. The specification further discloses for example, if a consumer rarely exercise promotions that are worth less than 10%, than such promotions can be classified as of low relevance to the consumer.

Examiner agrees that Aggarwal does not teach promotion usage history, it is taught in Herz. Aggarwal teaches determining a promotion based on purchase history however does not explicitly teach determining a promotion based on the promotional history, e.g., based on promotions that are exercised or used or the relevance of the promotion. Herz however teaches database tracking the customer's price sensitivity and promotion usage history (coupon usage). Information stored for each purchase item being the history and relative effect of the coupons

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that have already been generated for it and developing a highly detailed database that connects shoppers to purchase items, price and coupons and analyzing the information and creating accurate models of customer behavior (see col. 23 lines 1-65). Therefore it would have been obvious to one of ordinary skill in the art at the time of the invention to include Herz's coupon or promotional usage in Aggarwal promotional list. One would be motivated to track the usage of products in Aggarwal's promotional list in order to further tailor the promotion (promotional list) according the customer preferences (as indicated by their purchase histories) which include the use of the promotional list, as taught by Herz (see col. 23 lines 53-67).

The rejection "under 101" have been withdrawn.

### ***Conclusion***

**THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

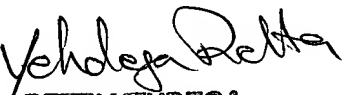
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Any inquiry concerning this communication or earlier communications from the examiner should be directed to Yehdega Retta whose telephone number is (571) 272-6723. The examiner can normally be reached on 8-4:30.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric Stamber can be reached on (571) 272-6724. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

YR

  
**RETTA YEHDEGA**  
**PRIMARY EXAMINER**